



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Subsidy Programs Provided by Countries Exporting Softwood Lumber and Softwood Lumber Products to the United States; Request for Comment

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) seeks public comment on any subsidies, including stumpage subsidies, provided by certain countries exporting softwood lumber or softwood lumber products to the United States during the period July 1, 2018, through December 31, 2018.

DATES: Comments must be submitted by June 10, 2019.

ADDRESSES: See the Submission of Comments section below.

FOR FURTHER INFORMATION CONTACT: Kristen Johnson, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW Washington, DC 20230; telephone: (202) 482-4793.

#### SUPPLEMENTARY INFORMATION:

##### Background

Pursuant to section 805 of Title VIII of the Tariff Act of 1930 (the Softwood Lumber Act of 2008), the Secretary of Commerce is mandated to submit to the appropriate Congressional committees a report every 180 days on any subsidy provided by countries exporting softwood lumber or softwood lumber products to the United States, including stumpage subsidies.

Commerce submitted its last subsidy report on December 20, 2018. As part of its newest report,

Commerce intends to include a list of subsidy programs identified with sufficient clarity by the public in response to this notice.

#### Request for Comments

Given the large number of countries that export softwood lumber and softwood lumber products to the United States, we are soliciting public comment only on subsidies provided by countries which had exports accounting for at least one percent of total U.S. imports of softwood lumber by quantity, as classified under Harmonized Tariff Schedule of the United States (HTSUS) codes 4407.1001, 4407.1100, 4407.1200, 4407.1905, 4407.1906, 4407.1910,<sup>1</sup> during the period July 1, 2018, through December 31, 2018. Official U.S. import data published by the United States International Trade Commission's DataWeb indicate that four countries (Brazil, Canada, Germany, and Sweden) exported softwood lumber to the United States during that time period in amounts sufficient to account for at least one percent of U.S. imports of softwood lumber products. We intend to rely on similar previous six-month periods to identify the countries subject to future reports on softwood lumber subsidies. For example, we will rely on U.S. imports of softwood lumber and softwood lumber products during the period January 1, 2019, through June 30, 2019, to select the countries subject to the next report.

Under U.S. trade law, a subsidy exists where an authority: (i) provides a financial contribution; (ii) provides any form of income or price support within the meaning of Article XVI of the GATT 1994; or (iii) makes a payment to a funding mechanism to provide a financial

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<sup>1</sup> For previous lumber subsidies reports, Commerce relied solely on HTSUS code 4407.1001 (coniferous wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm), which accounted for the vast majority of subject imports. In October 2018, HTSUS code 4407.1001 became obsolete and was replaced by HTSUS codes 4407.1100 (pine wood sawn or chipped lengthwise, sliced or peeled, over 6 mm thick), 4407.1200 (fir and spruce wood sawn or chipped lengthwise, sliced or peeled, over 6 mm thick), 4407.1905 (mixtures of spruce, pine and fir (SPF) wood sawn or chipped lengthwise, sliced or peeled, over 6 mm thick, not treated with preservatives), 4407.1906 (mixtures of hemlock and fir (hem-fir) wood sawn or chipped lengthwise, sliced or peeled, over 6 mm thick, not treated with preservatives), and 4407.1910 (other coniferous wood, nesoi, sawn or chipped lengthwise, sliced or peeled, over 6 mm thick, whether or not treated with preservatives).

contribution to a person, or entrusts or directs a private entity to make a financial contribution, if providing the contribution would normally be vested in the government and the practice does not differ in substance from practices normally followed by governments, and a benefit is thereby conferred.<sup>2</sup>

Parties should include in their comments: (1) the country which provided the subsidy; (2) the name of the subsidy program; (3) a brief description (no more than 3-4 sentences) of the subsidy program; and (4) the government body or authority that provided the subsidy.

#### Submission of Comments

As specified above, to be assured of consideration, comments must be received no later than 5:00 p.m., Eastern Standard Time, on Monday, June 10, 2019. All comments must be submitted through the Federal eRulemaking Portal at <http://www.regulations.gov>, Docket No. ITA-2019-0001, unless the commenter does not have access to the internet. The materials in the docket will not be edited to remove identifying or contact information, and Commerce cautions against including any information in an electronic submission that the submitter does not want publicly disclosed. Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF formats only.

Commenters who do not have access to the internet may submit the original and one electronic copy of each set of comments by mail or hand delivery/courier.

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<sup>2</sup> See section 771(5)(B) of the Tariff Act of 1930, as amended.

All comments should be addressed to James Maeder, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duties, at U.S. Department of Commerce, Room 18022, 1401 Constitution Avenue, NW, Washington, DC 20230.

Dated: May 16, 2019.

Gary Taverman,  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Investigations.

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